

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 8150
BILL NUMBER: SB 632

DATE PREPARED: Jan 21, 1999
BILL AMENDED:

SUBJECT: Reading Diagnostic Assessments.

FISCAL ANALYST: David Hoppmann
PHONE NUMBER: 232-9559

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 1999	FY 2000	FY 2001
State Revenues			
State Expenditures		4,140,000	4,140,000
Net Increase (Decrease)		(4,140,000)	(4,140,000)

Summary of Legislation: This bill would establish the Reading Diagnostic and Remediation Program (the Program) and the Reading Diagnostic and Remediation Program Fund (the Fund). It would require that the Program and Fund be administered by the Department of Education (the Department).

It would provide that a grade 1 or grade 2 student who is selected by the student's teacher because of difficulty in reading must be assessed and, if determined to be lacking in reading skills, must have an individualized reading instruction plan prepared for the student. It would require that the student's school track the student's performance after remediation, and would allow a school to receive diagnostic and remediation grants from the Fund.

For the Biennium beginning in July 1, 1999, it would appropriate \$8,280,000 to the Fund from the State General Fund.

Effective Date: July 1, 1999.

Explanation of State Expenditures: This bill would require the Department to administer the Program; coordinate grade 1 and grade 2 teacher training; and to select, purchase, and administer a diagnostic instrument to certain grade 1 and grade 2 students. The Department would also be required to approve

diagnostic instruments selected by school corporations that do not wish to use a State selected assessment instrument. The Department would incur additional administrative time associated with this provision of the bill.

For the Biennium beginning in July 1, 1999, this bill would appropriate \$8,280,000 to the Fund from the State General Fund, to be used by school corporations for administering and interpreting the results of diagnostic assessments in accordance with this bill, and the remediation of certain grade 1 and grade 2 students.

Explanation of State Revenues:

Explanation of Local Expenditures: School corporations would experience additional administrative time associated with the reporting requirements of this bill. In addition, school corporations opting to purchase their own diagnostic instrument (approved by the Board) would incur additional costs.

Explanation of Local Revenues: This bill would allow school corporations to receive diagnostic and remediation reading grants from the Department, based on formulas which calculate the number of grade 1 and grade 2 students who do not meet certain calculated academic standard scales.

Diagnostic grants would be used to determine whether or not a student needs to be placed in an individualized reading program, and to determine whether or not a student who follows such a plan meets the Language Arts component of the grade 3 ISTEP+ examination.

Remediation grants in the amount of \$100 per student would be used to design and implement individualized reading instruction plans prepared for the student by the school.

State Agencies Affected: Department of Education.

Local Agencies Affected: School Corporations.

Information Sources: